

EXAMPLE 1: Let's assume the taxpayer makes all of its investment (1,000,000), at an existing facility, on October 1, 2002 and the investment becomes operational on that date as well.

TAX YEAR:

From July 1, 2001 to June 30, 2002

CERTIFICATION PERIOD:

From January 1, 2002 to December 31, 2002

	Column A	Column B	Column C	Column D	Column E
	Base Month & Year	Amount of Base Investment	Current Month & Year	Amount of Investment	Investment Related to HPIP
PART II DETERMINING QUALIFIED INVESTMENT AND CREDIT					
Complete "Base Month & Year" and "Number of Base Investment" columns if: you were HPIP certified during any portion of the tax year; and you are adding onto an existing facility; or you are adding investment into an existing facility; or you move a facility from one location to another.	Jul-00	\$0	Jul-01	\$0	\$0
	Aug-00	\$0	Aug-01	\$0	\$0
	Sep-00	\$0	Sep-01	\$0	\$0
	Oct-00	\$0	Oct-01	\$0	\$0
	Nov-00	\$0	Nov-01	\$0	\$0
	Dec-00	\$0	Dec-01	\$0	\$0
Base amounts must be completed for each month of the taxable year prior to the taxable year in which commencement of commercial operations begins at the qualified investment for which you were HPIP certified.	Jan-01	\$0	Jan-02	\$0	\$0
	Feb-01	\$0	Feb-02	\$0	\$0
	Mar-01	\$0	Mar-02	\$0	\$0
Complete "Current Month & Year" as of the last business day of each full calendar month for those months the qualified investment was in operation for which you were HPIP certified.	Apr-01	\$0	Apr-02	\$0	\$0
	May-01	\$0	May-02	\$0	\$0
	Jun-01	\$0	Jun-02	\$0	\$0

1. Total owned property (Add property from above)	1	\$0		\$0
2. Average owned property. Line 1 divided by: a. Base-number of months in the taxable year prior to commencement of operations at the qualified investment for which you were HPIP certified. b. Current-New facility: number of full months the qualified investment was in operation for which you were HPIP certified. Existing facility: number of months for which you were HPIP certified.	2	\$0		\$0
3. Average construction in process included in line 2	3			
4. Total (Line 2 less line 3)	4	\$0		\$0
5. Net annual rented property multiplied by 8	5	\$0		\$0
6. Total investment (Add lines 4 and 5)	6	\$0		\$0
7. Average investment "base" (From Line 6, Column B)	7			\$0
8. Total investment in excess of the base (Line 6 less line 7)	8			\$0
9. Portion of line 8 not directly related to qualified business facility employees	9			\$0
10. Qualified business facility investment (Line 8 less line 9)	10			\$0

No credit for this tax year as no investment was made during the portion of the certification period that fell within this tax year.

TAX YEAR:

From July 1, 2002 to June 30, 2003

CERTIFICATION PERIOD:

From January 1, 2002 to December 31, 2002

	Column A	Column B	Column C	Column D	Column E
	Base Month & Year	Amount of Base Investment	Current Month & Year	Amount of Investment	Investment Related to HPIP
PART II DETERMINING QUALIFIED INVESTMENT AND CREDIT					
Complete "Base Month & Year" and "Number of Base Investment" columns if: you were HPIP certified during any portion of the tax year; and you are adding onto an existing facility; or you are adding investment into an existing facility; or you move a facility from one location to another.	Jul-01	\$0	Jul-02	\$0	\$0
	Aug-01	\$0	Aug-02	\$0	\$0
	Sep-01	\$0	Sep-02	\$0	\$0
	Oct-01	\$0	Oct-02	\$1,000,000	\$1,000,000
	Nov-01	\$0	Nov-02	\$1,000,000	\$0
	Dec-01	\$0	Dec-02	\$1,000,000	\$0
Base amounts must be completed for each month of the taxable year prior to the taxable year in which commencement of commercial operations begins at the qualified investment for which you were HPIP certified.	Jan-02	\$0	Jan-03	\$0	\$0
	Feb-02	\$0	Feb-03	\$0	\$0
	Mar-02	\$0	Mar-03	\$0	\$0
Complete "Current Month & Year" as of the last business day of each full calendar month for those months the qualified investment was in operation for which you were HPIP certified.	Apr-02	\$0	Apr-03	\$0	\$0
	May-02	\$0	May-03	\$0	\$0
	Jun-02	\$0	Jun-03	\$0	\$0

1. Total owned property (Add property from above)	1	\$0		\$3,000,000
2. Average owned property. Line 1 divided by: a. Base-number of months in the taxable year prior to commencement of operations at the qualified investment for which you were HPIP certified. b. Current-New facility: number of full months the qualified investment was in operation for which you were HPIP certified. Existing facility: number of months for which you were HPIP certified.	2	\$0		\$500,000
3. Average construction in process included in line 2	3			
4. Total (Line 2 less line 3)	4	\$0		\$500,000
5. Net annual rented property multiplied by 8	5	\$0		\$0
6. Total investment (Add lines 4 and 5)	6	\$0		\$500,000
7. Average investment "base" (From Line 6, Column B)	7			\$0
8. Total investment in excess of the base (Line 6 less line 7)	8			\$500,000
9. Portion of line 8 not directly related to qualified business facility employees	9			\$0
10. Qualified business facility investment (Line 8 less line 9)	10			\$500,000

The average qualified business facility investment decreases as the investment is delayed within the certification period.

EXAMPLE 2: Assume this same taxpayer in Example 1 now becomes recertified for the period July 1, 2003 through June 30, 2004 and makes additional investment (1,000,000), at the existing facility, on August 1, 2003.

TAX YEAR:

From July 1, 2003 to June 30, 2004

CERTIFICATION PERIOD:

From July 1, 2003 to June 30, 2004

From January 1, 2001 to December 31, 2002

	Column A	Column B	Column C	Column D	Column E
	Base Month & Year	Amount of Base Investment	Current Month & Year	Amount of Investment	Investment Related to HPIP
PART II DETERMINING QUALIFIED INVESTMENT AND CREDIT Complete "Base Month & Year" and "Number of Base Investment" columns if: you were HPIP certified during any portion of the tax year; and you are adding onto an existing facility; or you are adding investment into an existing facility; or you move a facility from one location to another. Base amounts must be completed for each month of the taxable year prior to the taxable year in which commencement of commercial operations begins at the qualified investment for which you were HPIP certified. Complete "Current Month & Year" as of the last business day of each full calendar month for those months the qualified investment was in operation for which you were HPIP certified.	Jul-02	\$0	Jul-03	\$1,000,000	\$0
	Aug-02	\$0	Aug-03	\$2,000,000	\$1,000,000
	Sep-02	\$0	Sep-03	\$2,000,000	\$0
	Oct-02	\$1,000,000	Oct-03	\$2,000,000	\$0
	Nov-02	\$1,000,000	Nov-03	\$2,000,000	\$0
	Dec-02	\$1,000,000	Dec-03	\$2,000,000	\$0
	Jan-03	\$0	Jan-04	\$2,000,000	\$0
	Feb-03	\$0	Feb-04	\$2,000,000	\$0
	Mar-03	\$0	Mar-04	\$2,000,000	\$0
	Apr-03	\$0	Apr-04	\$2,000,000	\$0
	May-03	\$0	May-04	\$2,000,000	\$0
	Jun-03	\$0	Jun-04	\$2,000,000	\$0

1. Total owned property (Add property from above)	1	\$3,000,000		\$23,000,000
2. Average owned property. Line 1 divided by:				
a. Base-number of months in the taxable year prior to commencement of operations at the qualified investment for which you were HPIP certified.				
b. Current-New facility: number of full months the qualified investment was in operation for which you were HPIP certified. Existing facility: number of months for which you were HPIP certified.	2	\$500,000		\$1,916,667
3. Average construction in process included in line 2	3			
4. Total (Line 2 less line 3)	4	\$500,000		\$1,916,667
5. Net annual rented property multiplied by 8	5	\$0		\$0
6. Total investment (Add lines 4 and 5)	6	\$500,000		\$1,916,667
7. Average investment "base" (From Line 6, Column B)	7			\$500,000
8. Total investment in excess of the base (Line 6 less line 7)	8			\$1,416,667
9. Portion of line 8 not directly related to qualified business facility employees	9			\$0
10. Qualified business facility investment (Line 8 less line 9)	10			\$1,416,667

This taxpayer will receive a 10% HPIP credit on \$1,816,667 (\$500,000 - \$50,000 = \$450,000 TYE 6/30/03 and \$1,416,667 - \$50,000 = \$1,366,667 TYE 6/30/04)